



**SCOTT COUNTY, MISSOURI  
TWO YEARS ENDED DECEMBER 31, 2001**

**From The Office Of State Auditor  
Claire McCaskill**

**Report No. 2002-103  
September 30, 2002  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)**

**AUDIT REPORT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

September 2002

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Scott County, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also provide a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and it does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

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This audit of Scott County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- The county and the Health Center do not have adequate procedures in place to track federal awards for preparation of the Schedule of Expenditure of Federal Awards. As a result, the county and Health Center over reported expenditures on their SEFA schedule by approximately \$47,700 and \$67,500, for 2001 and 2000, respectively.
- The county owns vehicles used for road and bridge and law enforcement purposes. Logs which document vehicle usage are not maintained.
- Some of the county law enforcement vehicles do not appear to be fully utilized. In the past, the County Commission refused to pay the Sheriff mileage for his personal fleet of vehicles, because they believed the county fleet should be adequate. The Sheriff began paying the mileage from the Sheriff's Special Fund established in the county treasury by Section 57.280, which gives the sheriff discretion over monies not to exceed \$50,000 a year. For the years ended December 31, 2001 and 2000, the Sheriff received \$57,488 and \$46,812, respectively, in mileage claims paid from the Sheriff's Special Fund. None of the various mileage reimbursement documents indicate which vehicle was used.

Without adequate documentation to ensure the Sheriff's fleet is used only when county vehicles are not available, the County Commission has no assurance county vehicles are being fully utilized or that only actual miles traveled are being reimbursed.

(over)

YELLOW SHEET

- A state law, Section 50.333.13, RSMo, enacted in 1997, allowed salary commissions meeting in 1997 to provide mid-term salary increases for associate county commissioners elected in 1996 due to the fact that their terms were increased from two years to four. Based on this law, in 1999 Scott County's Associate County Commissioners salaries were each increased approximately \$6,700 yearly.

On May 15, 2001, the Missouri Supreme Court handed down an opinion that holds that all raises given pursuant to this statute section are unconstitutional. Based on the Supreme Court decision, the raises given to each of the Associate County Commissioners, totaling approximately \$13,400 for the two years ended December 31, 2000, should be repaid.

- Collateral securities pledged by the county's depository bank to cover deposits of the County Treasurer and the County Collector were insufficient by approximately \$3.8 million on January 31, 2001.
- The Senate Bill 40 Board has accumulated a significant cash reserve and budgets \$50,000 for "potential new projects" each year. Such practices reduce the effectiveness of the budget as a planning tool. Proper notice was not always given to the public regarding meeting times and locations. Bids were not obtained or bid documentation was not retained for various equipment purchases, and contractual procedures need improvement.

Also included in the audit are recommendations to improve the accounting controls and procedures for the Prosecuting Attorney and the Health Center. The audit also suggested improvements be made in the county's budgetary and payroll procedures.

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SCOTT COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS

To the County Commission  
and  
Officeholders of Scott County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Scott County, Missouri, as of and for the years ended December 31, 2001 and 2000, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Scott County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Scott County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Scott County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2001 and 2000, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated July 11, 2002, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Scott County, Missouri, and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.



Claire McCaskill  
State Auditor

July 11, 2002 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Debra S. Lewis, CPA
In-Charge Auditor:	Douglas P. Robinson
Audit Staff:	Terese Summers, CPA
	A. Dailey
	Lucinda S. Elliot
	Kate Petschonek



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Scott County, Missouri

We have audited the special-purpose financial statements of various funds of Scott County, Missouri, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated July 11, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Scott County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Scott County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material

weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information of the management of Scott County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill  
State Auditor

July 11, 2002 (fieldwork completion date)

## Financial Statements

Exhibit A-1

SCOTT COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 2001

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 151,294	3,416,516	2,681,469	886,341
Special Road and Bridge	205,415	1,058,390	962,493	301,312
Assessment	25,730	329,134	334,077	20,787
Law Enforcement Training	11,204	8,514	8,344	11,374
Prosecuting Attorney Training	4,674	1,567	3,091	3,150
Health Center	842,747	959,828	1,036,487	766,088
911 Rural Address	351,505	219,030	211,891	358,644
Landfill Capital Improvements	158,451	6,252	30,013	134,690
Johnson Grass	25,570	35,364	43,414	17,520
Drainage Districts	1,642	6,816	7,076	1,382
Recorder's User Fees	21,185	23,129	9,239	35,075
Election Services	2,476	6,165	2,362	6,279
Domestic Violence	939	4,804	5,741	2
Law Enforcement Sales Tax	89,145	2,642,709	2,731,514	340
Sheriff's Special	9,748	50,000	57,488	2,260
Prosecuting Attorney Bad Check	2,866	26,451	20,813	8,504
House of Refuge Grant	0	2,902	2,902	0
Law Library	68,456	27,600	10,618	85,438
Associate Circuit Interest	2,967	955	0	3,922
Circuit Clerk Interest	1,936	4,948	2,716	4,168
Sheriff's DARE and Crime Prevention	13,517	17,083	20,951	9,649
Senate Bill 40 Board	486,374	158,122	255,448	389,048
Total	\$ 2,477,841	9,006,279	8,438,147	3,045,973

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

SCOTT COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 2000

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 636,882	2,874,783	3,360,371	151,294
Special Road and Bridge	200,778	984,220	979,583	205,415
Assessment	35,904	281,289	291,463	25,730
Law Enforcement Training	9,177	9,463	7,436	11,204
Prosecuting Attorney Training	2,438	2,601	365	4,674
Health Center	842,645	929,193	929,091	842,747
911 Rural Address	343,150	216,803	208,448	351,505
Landfill Capital Improvements	172,219	8,277	22,045	158,451
Johnson Grass	36,012	33,277	43,719	25,570
Drainage Districts	2,784	7,875	9,017	1,642
Recorder's User Fees	11,885	16,566	7,266	21,185
Election Services	237	4,061	1,822	2,476
Domestic Violence	6,618	4,335	10,014	939
Law Enforcement Sales Tax	0	89,145	0	89,145
Sheriff's Special	6,560	50,000	46,812	9,748
Prosecuting Attorney Bad Check	6,232	21,328	24,694	2,866
Law Library	42,463	37,036	11,043	68,456
Associate Circuit Interest	2,131	836	0	2,967
Circuit Clerk Interest	8,325	6,698	13,087	1,936
Family Access	51	2	53	0
Local Use Tax	168,975	1,048	170,023	0
Sheriff's DARE and Crime Pervention	11,032	14,447	11,962	13,517
Senate Bill 40 Board	502,885	152,261	168,772	486,374
Total	\$ 3,049,383	5,745,544	6,317,086	2,477,841

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>TOTALS - VARIOUS FUNDS</b>						
RECEIPTS	\$ 8,532,717	8,986,294	453,577	5,619,848	5,641,952	22,104
DISBURSEMENTS	8,964,261	8,414,294	549,967	6,662,036	6,305,124	356,912
RECEIPTS OVER (UNDER) DISBURSEMENTS	(431,544)	572,000	1,003,544	(1,042,188)	(663,172)	379,016
CASH, JANUARY 1	2,462,719	2,464,324	1,605	3,038,114	3,038,351	237
CASH, DECEMBER 31	2,031,175	3,036,324	1,005,149	1,995,926	2,375,179	379,253
<b>GENERAL REVENUE FUND</b>						
<b>RECEIPTS</b>						
Property taxes	272,000	320,794	48,794	242,000	270,650	28,650
Sales taxes	1,500,000	1,494,755	(5,245)	1,410,000	1,133,070	(276,930)
Intergovernmental	520,900	386,816	(134,084)	180,700	239,892	59,192
Charges for services	971,700	1,122,135	150,435	808,200	961,875	153,675
Interest	30,000	41,301	11,301	30,000	35,229	5,229
Other	36,415	27,715	(8,700)	33,467	43,495	10,028
Transfers in	23,000	23,000	0	190,524	190,572	48
Total Receipts	3,354,015	3,416,516	62,501	2,894,891	2,874,783	(20,108)
<b>DISBURSEMENTS</b>						
County Commission	99,000	94,042	4,958	99,000	95,470	3,530
County Clerk	66,722	66,626	96	66,520	64,889	1,631
Elections	50,524	40,811	9,713	86,420	82,690	3,730
Buildings and grounds	722,276	132,423	589,853	353,772	368,747	(14,975)
Employee fringe benefits	303,100	214,164	88,936	507,000	440,404	66,596
County Treasurer	52,422	50,948	1,474	51,170	50,031	1,139
County Collector	111,326	108,010	3,316	109,622	106,983	2,639
Recorder of Deeds	97,034	96,616	418	93,828	93,377	451
Circuit Clerk	14,000	14,227	(227)	17,000	15,627	1,373
Associate Circuit Court	16,800	16,292	508	15,400	15,439	(39)
Associate Circuit (Probate)	6,650	9,633	(2,983)	6,150	5,442	708
Court administration	28,200	13,212	14,988	24,300	10,158	14,142
Public Administrator	59,700	60,442	(742)	19,300	17,496	1,804
Sheriff	0	0	0	636,355	654,466	(18,111)
Jail	0	0	0	548,720	764,799	(216,079)
Prosecuting Attorney	208,650	201,509	7,141	180,348	177,971	2,377
Juvenile Officer	130,000	114,518	15,482	130,000	86,952	43,048
County Coroner	31,815	32,508	(693)	20,785	27,953	(7,168)
Emergency Management Fund	27,706	29,208	(1,502)	25,729	26,186	(457)
General county government	254,800	169,112	85,688	220,778	181,001	39,777
Prosecuting Attorney House Bill 601	70,878	71,066	(188)	67,874	71,526	(3,652)
Public health and welfare services	5,000	2,799	2,201	5,000	2,764	2,236
Drug Court Grant	0	11,291	(11,291)	0	0	0
Crime Victim Advocate Grant	0	3,002	(3,002)	0	0	0
Economic Development Grant	40,000	6,510	33,490	0	0	0
Transfers out	953,000	1,122,500	(169,500)	0	0	0
Emergency Fund	101,000	0	101,000	88,000	0	88,000
Total Disbursements	3,450,603	2,681,469	769,134	3,373,071	3,360,371	12,700
RECEIPTS OVER (UNDER) DISBURSEMENTS	(96,588)	735,047	831,635	(478,180)	(485,588)	(7,408)
CASH, JANUARY 1	151,294	151,294	0	636,882	636,882	0
CASH, DECEMBER 31	54,706	886,341	831,635	158,702	151,294	(7,408)

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>SPECIAL ROAD AND BRIDGE FUND</u></b>						
<b>RECEIPTS</b>						
Property taxes	385,000	434,959	49,959	391,000	388,104	(2,896)
Sales taxes	0	0	0	0	0	0
Intergovernmental	511,050	523,323	12,273	491,600	510,866	19,266
Charges for services	5,000	6,755	1,755	0	8,868	8,868
Interest	13,000	15,934	2,934	13,000	15,841	2,841
Other	2,000	4,419	2,419	0	3,554	3,554
Transfers in	73,000	73,000	0	57,000	56,987	(13)
Total Receipts	989,050	1,058,390	69,340	952,600	984,220	31,620
<b>DISBURSEMENTS</b>						
Salaries	324,000	293,296	30,704	310,000	288,348	21,652
Employee fringe benefits	129,500	106,002	23,498	125,000	100,616	24,384
Supplies	86,500	105,218	(18,718)	80,000	91,605	(11,605)
Road and bridge materials	353,000	347,131	5,869	351,500	383,956	(32,456)
Equipment repairs	60,000	45,066	14,934	80,000	51,677	28,323
Rentals	1,000	36	964	1,000	666	334
Equipment purchases	65,000	45,692	19,308	85,000	45,174	39,826
Other	19,500	20,052	(552)	21,000	17,541	3,459
Total Disbursements	1,038,500	962,493	76,007	1,053,500	979,583	73,917
RECEIPTS OVER (UNDER) DISBURSEMENTS	(49,450)	95,897	145,347	(100,900)	4,637	105,537
CASH, JANUARY 1	205,415	205,415	0	200,778	200,778	0
CASH, DECEMBER 31	155,965	301,312	145,347	99,878	205,415	105,537
<b><u>ASSESSMENT FUND</u></b>						
<b>RECEIPTS</b>						
Intergovernmental	276,985	313,918	36,933	284,300	272,522	(11,778)
Charges for services	3,500	10,677	7,177	3,200	3,439	239
Interest	4,500	3,865	(635)	4,500	4,629	129
Other	500	674	174	500	699	199
Transfers in	24,000	0	(24,000)	0	0	0
Total Receipts	309,485	329,134	19,649	292,500	281,289	(11,211)
<b>DISBURSEMENTS</b>						
Assessor	334,850	334,077	773	328,025	291,463	36,562
Total Disbursements	334,850	334,077	773	328,025	291,463	36,562
RECEIPTS OVER (UNDER) DISBURSEMENTS	(25,365)	(4,943)	20,422	(35,525)	(10,174)	25,351
CASH, JANUARY 1	25,730	25,730	0	35,904	35,904	0
CASH, DECEMBER 31	365	20,787	20,422	379	25,730	25,351

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>LAW ENFORCEMENT TRAINING FUND</u></b>						
<b>RECEIPTS</b>						
Intergovernmental	3,000	2,566	(434)	3,000	2,998	(2)
Charges for services	6,000	5,526	(474)	7,200	6,052	(1,148)
Interest	250	422	172	250	413	163
Total Receipts	9,250	8,514	(736)	10,450	9,463	(987)
<b>DISBURSEMENTS</b>						
Sheriff	20,000	8,344	11,656	19,000	7,436	11,564
Total Disbursements	20,000	8,344	11,656	19,000	7,436	11,564
RECEIPTS OVER (UNDER) DISBURSEMENTS	(10,750)	170	10,920	(8,550)	2,027	10,577
CASH, JANUARY 1	11,204	11,204	0	9,177	9,177	0
CASH, DECEMBER 31	454	11,374	10,920	627	11,204	10,577
<b><u>PROSECUTING ATTORNEY TRAINING FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	1,470	1,391	(79)	1,800	1,512	(288)
Interest	0	176	176	100	155	55
Transfers in	0	0	0	0	934	934
Total Receipts	1,470	1,567	97	1,900	2,601	701
<b>DISBURSEMENTS</b>						
Prosecuting Attorney	4,000	3,091	909	4,338	365	3,973
Total Disbursements	4,000	3,091	909	4,338	365	3,973
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,530)	(1,524)	1,006	(2,438)	2,236	4,674
CASH, JANUARY 1	4,674	4,674	0	2,438	2,438	0
CASH, DECEMBER 31	2,144	3,150	1,006	0	4,674	4,674
<b><u>HEALTH CENTER FUND</u></b>						
<b>RECEIPTS</b>						
Property taxes	316,000	338,982	22,982	300,000	313,740	13,740
Intergovernmental	489,802	527,733	37,931	502,600	518,103	15,503
Interest	45,000	36,838	(8,162)	50,000	44,538	(5,462)
Other	96,750	56,275	(40,475)	91,600	52,812	(38,788)
Total Receipts	947,552	959,828	12,276	944,200	929,193	(15,007)
<b>DISBURSEMENTS</b>						
Salaries	491,071	528,696	(37,625)	528,176	514,060	14,116
Employee fringe benefits	206,412	217,449	(11,037)	205,885	197,233	8,652
Land purchase	0	83,272	(83,272)	0	0	0
Travel expenses	33,264	18,615	14,649	37,051	28,271	8,780
Operating expenses	57,250	88,743	(31,493)	68,711	64,961	3,750
Office expenditures	82,479	80,165	2,314	80,015	80,931	(916)
Equipment purchases	10,050	4,681	5,369	8,200	15,196	(6,996)
Contract services	10,896	12,241	(1,345)	11,000	10,747	253
Other	4,175	2,625	1,550	5,060	17,692	(12,632)
Total Disbursements	895,597	1,036,487	(140,890)	944,098	929,091	15,007
RECEIPTS OVER (UNDER) DISBURSEMENTS	51,955	(76,659)	(128,614)	102	102	0
CASH, JANUARY 1	842,747	842,747	0	842,645	842,645	0
CASH, DECEMBER 31	894,702	766,088	(128,614)	842,747	842,747	0

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>911 RURAL ADDRESS</u></b>						
<b>RECEIPTS</b>						
Telephone tax	189,565	187,128	(2,437)	160,000	182,884	22,884
Chages for services	17,500	17,500	0	17,000	17,500	500
Interest	16,565	13,988	(2,577)	13,000	16,218	3,218
Other	0	414	414	300	201	(99)
<b>Total Receipts</b>	<b>223,630</b>	<b>219,030</b>	<b>(4,600)</b>	<b>190,300</b>	<b>216,803</b>	<b>26,503</b>
<b>DISBURSEMENTS</b>						
Salaries	93,600	95,583	(1,983)	88,644	88,643	1
Employee fringe benefits	35,125	28,739	6,386	26,000	27,176	(1,176)
Capital improvements	39,856	32,166	7,690	32,500	38,312	(5,812)
Mileage and training	7,400	6,774	626	7,500	7,056	444
Repair and maintenance	6,500	1,111	5,389	4,900	5,789	(889)
Supplies	3,500	3,821	(321)	3,500	3,379	121
Equipment and leases	8,945	9,326	(381)	6,000	900	5,100
Utilities	14,430	11,371	3,059	12,200	12,697	(497)
Other	0	0	0	8,000	4,000	4,000
Transfers out	23,000	23,000	0	20,500	20,496	4
<b>Total Disbursements</b>	<b>232,356</b>	<b>211,891</b>	<b>20,465</b>	<b>209,744</b>	<b>208,448</b>	<b>1,296</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(8,726)</b>	<b>7,139</b>	<b>15,865</b>	<b>(19,444)</b>	<b>8,355</b>	<b>27,799</b>
CASH, JANUARY 1	351,505	351,505	0	343,150	343,150	0
CASH, DECEMBER 31	342,779	358,644	15,865	323,706	351,505	27,799
<b><u>LANDFILL CAPITAL IMPROVEMENTS FUND</u></b>						
<b>RECEIPTS</b>						
Sales tax	0	6	6	0	2	2
Interest	7,500	6,246	(1,254)	9,000	8,275	(725)
<b>Total Receipts</b>	<b>7,500</b>	<b>6,252</b>	<b>(1,248)</b>	<b>9,000</b>	<b>8,277</b>	<b>(723)</b>
<b>DISBURSEMENTS</b>						
Fuel and repairs	5,000	0	5,000	5,000	0	5,000
Landfill project and engineering fees	45,050	0	45,050	45,000	0	45,000
Other	0	13	(13)	0	12	(12)
Transfers out	30,000	30,000	0	22,000	22,033	(33)
<b>Total Disbursements</b>	<b>80,050</b>	<b>30,013</b>	<b>50,037</b>	<b>72,000</b>	<b>22,045</b>	<b>49,955</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(72,550)</b>	<b>(23,761)</b>	<b>48,789</b>	<b>(63,000)</b>	<b>(13,768)</b>	<b>49,232</b>
CASH, JANUARY 1	158,451	158,451	0	172,219	172,219	0
CASH, DECEMBER 31	85,901	134,690	48,789	109,219	158,451	49,232
<b><u>JOHNSON GRASS FUND</u></b>						
<b>RECEIPTS</b>						
Property taxes	32,000	33,365	1,365	32,000	30,670	(1,330)
Intergovernmental	0	61	61	50	13	(37)
Interest	2,300	1,938	(362)	2,000	2,594	594
<b>Total Receipts</b>	<b>34,300</b>	<b>35,364</b>	<b>1,064</b>	<b>34,050</b>	<b>33,277</b>	<b>(773)</b>
<b>DISBURSEMENTS</b>						
Supplies	15,050	3,414	11,636	5,050	13,715	(8,665)
Transfers out	40,000	40,000	0	30,000	30,004	(4)
<b>Total Disbursements</b>	<b>55,050</b>	<b>43,414</b>	<b>11,636</b>	<b>35,050</b>	<b>43,719</b>	<b>(8,669)</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(20,750)</b>	<b>(8,050)</b>	<b>12,700</b>	<b>(1,000)</b>	<b>(10,442)</b>	<b>(9,442)</b>
CASH, JANUARY 1	25,570	25,570	0	36,012	36,012	0
CASH, DECEMBER 31	4,820	17,520	12,700	35,012	25,570	(9,442)

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>DRAINAGE DISTRICTS FUND</u></b>						
RECEIPTS						
Property taxes	7,000	6,609	(391)	8,000	7,554	(446)
Interest	300	207	(93)	250	321	71
Total Receipts	7,300	6,816	(484)	8,250	7,875	(375)
DISBURSEMENTS						
Soil and Water Conservation Service	4,000	4,000	0	4,000	4,000	0
Other	1,200	76	1,124	1,700	66	1,634
Transfers out	3,000	3,000	0	5,000	4,951	49
Total Disbursements	8,200	7,076	1,124	10,700	9,017	1,683
RECEIPTS OVER (UNDER) DISBURSEMENTS	(900)	(260)	640	(2,450)	(1,142)	1,308
CASH, JANUARY 1	1,642	1,642	0	2,784	2,784	0
CASH, DECEMBER 31	742	1,382	640	334	1,642	1,308
<b><u>RECORDER'S USER FEES FUND</u></b>						
RECEIPTS						
Charges for services	16,000	18,641	2,641	17,500	15,856	(1,644)
Interest	600	4,488	3,888	300	710	410
Total Receipts	16,600	23,129	6,529	17,800	16,566	(1,234)
DISBURSEMENTS						
Office expenditures	13,000	1,179	11,821	14,500	944	13,556
Equipment	6,000	0	6,000	7,000	0	7,000
Contract services	9,700	8,060	1,640	7,120	6,322	798
Total Disbursements	28,700	9,239	19,461	28,620	7,266	21,354
RECEIPTS OVER (UNDER) DISBURSEMENTS	(12,100)	13,890	25,990	(10,820)	9,300	20,120
CASH, JANUARY 1	21,185	21,185	0	11,885	11,885	0
CASH, DECEMBER 31	9,085	35,075	25,990	1,065	21,185	20,120
<b><u>ELECTION SERVICES FUND</u></b>						
RECEIPTS						
Charges for services	1,000	6,025	5,025	1,500	3,981	2,481
Interest	40	140	100	150	80	(70)
Total Receipts	1,040	6,165	5,125	1,650	4,061	2,411
DISBURSEMENTS						
Office expenditures	3,500	2,362	1,138	1,650	1,822	(172)
Total Disbursements	3,500	2,362	1,138	1,650	1,822	(172)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,460)	3,803	6,263	0	2,239	2,239
CASH, JANUARY 1	2,476	2,476	0	0	237	237
CASH, DECEMBER 31	16	6,279	6,263	0	2,476	2,476

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>DOMESTIC VIOLENCE FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	5,250	4,750	(500)	6,000	4,204	(1,796)
Interest	100	54	(46)	200	131	(69)
Total Receipts	5,350	4,804	(546)	6,200	4,335	(1,865)
<b>DISBURSEMENTS</b>						
Domestic violence shelter	2,500	2,500	0	5,000	5,000	0
Wife Abuse Shelter	3,500	3,228	272	5,000	5,000	0
Office expenditures	25	13	12	25	14	11
Total Disbursements	6,025	5,741	284	10,025	10,014	11
RECEIPTS OVER (UNDER) DISBURSEMENTS	(675)	(937)	(262)	(3,825)	(5,679)	(1,854)
CASH, JANUARY 1	939	939	0	6,618	6,618	0
CASH, DECEMBER 31	264	2	(262)	2,793	939	(1,854)
<b><u>LAW ENFORCEMENT SALES TAX FUND</u></b>						
<b>RECEIPTS</b>						
Sales taxes	1,500,000	1,466,578	(33,422)			
Charges for services	40,000	50,350	10,350			
Interest	25,000	3,281	(21,719)			
Transfers in	800,000	1,122,500	322,500			
Total Receipts	2,365,000	2,642,709	277,709			
<b>DISBURSEMENTS</b>						
Sheriff	571,300	554,966	16,334			
Jail	770,700	1,082,923	(312,223)			
Law enforcement vehicles	188,000	168,729	19,271			
Rent	40,130	40,130	0			
Debt service	570,000	570,889	(889)			
Office expenses	40,000	53,476	(13,476)			
Fringes	266,500	260,401	6,099			
Total Disbursements	2,446,630	2,731,514	(284,884)			
RECEIPTS OVER (UNDER) DISBURSEMENTS	(81,630)	(88,805)	(7,175)			
CASH, JANUARY 1	89,145	89,145	0			
CASH, DECEMBER 31	7,515	340	(7,175)			
<b><u>SHERIFF'S SPECIAL FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	49,500	49,634	134	49,600	49,496	(104)
Interest	500	366	(134)	400	504	104
Total Receipts	50,000	50,000	0	50,000	50,000	0
<b>DISBURSEMENTS</b>						
Mileage	59,700	57,488	2,212	56,560	46,812	9,748
Total Disbursements	59,700	57,488	2,212	56,560	46,812	9,748
RECEIPTS OVER (UNDER) DISBURSEMENTS	(9,700)	(7,488)	2,212	(6,560)	3,188	9,748
CASH, JANUARY 1	9,748	9,748	0	6,560	6,560	0
CASH, DECEMBER 31	48	2,260	2,212	0	9,748	9,748

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>PROSECUTING ATTORNEY BAD CHECK FUND</u></b>						
<b>RECEIPTS</b>						
Charges for services	21,500	25,107	3,607	20,700	21,081	381
Interest	225	261	36	300	247	(53)
Other	0	1,083	1,083	0	0	0
Total Receipts	21,725	26,451	4,726	21,000	21,328	328
<b>DISBURSEMENTS</b>						
Salaries	0	0	0	0	0	0
Equipment	0	0	0	4,643	179	4,464
Mileage and training	13,500	12,188	1,312	13,500	13,658	(158)
Other	10,600	8,625	1,975	9,089	9,923	(834)
Transfer out					934	(934)
Total Disbursements	24,100	20,813	3,287	27,232	24,694	2,538
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,375)	5,638	8,013	(6,232)	(3,366)	2,866
CASH, JANUARY 1	2,866	2,866	0	6,232	6,232	0
CASH, DECEMBER 31	491	8,504	8,013	0	2,866	2,866
<b><u>LAW LIBRARY</u></b>						
<b>RECEIPTS</b>						
Charges for services	36,000	27,224	(8,776)	27,800	36,769	8,969
Interest	0	376	376	200	267	67
Total Receipts	36,000	27,600	(8,400)	28,000	37,036	9,036
<b>DISBURSEMENTS</b>						
Equipment	0	0	0	5,000	0	5,000
Office expenditures	12,000	10,618	1,382	9,000	11,043	(2,043)
Mileage and training	0	0	0	0	0	0
Other	900	0	900	240	0	240
Total Disbursements	12,900	10,618	2,282	14,240	11,043	3,197
RECEIPTS OVER (UNDER) DISBURSEMENTS	23,100	16,982	(6,118)	13,760	25,993	12,233
CASH, JANUARY 1	66,851	68,456	1,605	42,463	42,463	0
CASH, DECEMBER 31	89,951	85,438	(4,513)	56,223	68,456	12,233
<b><u>ASSOCIATE CIRCUIT INTEREST FUND</u></b>						
<b>RECEIPTS</b>						
Interest	1,000	955	(45)	1,000	836	(164)
Total Receipts	1,000	955	(45)	1,000	836	(164)
<b>DISBURSEMENTS</b>						
Equipment	3,000	0	3,000	2,500	0	2,500
Total Disbursements	3,000	0	3,000	2,500	0	2,500
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,000)	955	2,955	(1,500)	836	2,336
CASH, JANUARY 1	2,967	2,967	0	2,131	2,131	0
CASH, DECEMBER 31	967	3,922	2,955	631	2,967	2,336

Exhibit B

SCOTT COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b><u>CIRCUIT CLERK INTEREST FUND</u></b>						
RECEIPTS						
Interest	2,500	4,298	1,798	4,000	6,358	2,358
Other	0	650	650	0	340	340
Total Receipts	2,500	4,948	2,448	4,000	6,698	2,698
DISBURSEMENTS						
Equipment	1,500	0	1,500	8,000	6,094	1,906
Office expenses	1,000	1,749	(749)	1,000	6,414	(5,414)
Other	500	967	(467)	1,000	579	421
Total Disbursements	3,000	2,716	284	10,000	13,087	(3,087)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(500)	2,232	2,732	(6,000)	(6,389)	(389)
CASH, JANUARY 1	1,936	1,936	0	8,325	8,325	0
CASH, DECEMBER 31	1,436	4,168	2,732	2,325	1,936	(389)
<b><u>FAMILY ACCESS FUND</u></b>						
RECEIPTS						
Interest				9	2	(7)
Total Receipts				9	2	(7)
DISBURSEMENTS						
Transfer out				60	53	7
Total Disbursements				60	53	7
RECEIPTS OVER (UNDER) DISBURSEMENTS				(51)	(51)	0
CASH, JANUARY 1				51	51	0
CASH, DECEMBER 31				0	0	0
<b><u>LOCAL USE TAX FUND</u></b>						
RECEIPTS						
Interest				1,048	1,048	0
Total Receipts				1,048	1,048	0
DISBURSEMENTS						
Transfers out				170,023	170,023	0
Total Disbursements				170,023	170,023	0
RECEIPTS OVER (UNDER) DISBURSEMENTS				(168,975)	(168,975)	0
CASH, JANUARY 1				168,975	168,975	0
CASH, DECEMBER 31				0	0	0

Exhibit B

SCOTT COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>SENATE BILL 40 BOARD FUND</b>						
<b>RECEIPTS</b>						
Property taxes	123,000	133,406	10,406	124,630	122,630	(2,000)
Intergovernmental	5,400	5,715	315	5,650	5,208	(442)
Interest	21,000	18,544	(2,456)	20,000	23,797	3,797
Other	550	457	(93)	720	626	(94)
Total Receipts	149,950	158,122	8,172	151,000	152,261	1,261
<b>DISBURSEMENTS</b>						
Contract services	91,000	64,123	26,877	132,000	91,798	40,202
Office expenditures	15,000	1,291	13,709	8,000	1,358	6,642
Mileage and training	1,000	301	699	600	293	307
Building improvements	100,500	110,743	(10,243)	101,000	24,391	76,609
Potential new projects	50,000	78,990	(28,990)	50,000	50,932	(932)
Total Disbursements	257,500	255,448	2,052	291,600	168,772	122,828
RECEIPTS OVER (UNDER) DISBURSEMENTS	(107,550)	(97,326)	10,224	(140,600)	(16,511)	124,089
CASH, JANUARY 1	486,374	486,374	0	502,885	502,885	0
CASH, DECEMBER 31	378,824	389,048	10,224	362,285	486,374	124,089

Notes to the Financial Statements

SCOTT COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Scott County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board or the Senate Bill 40 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt a formal budget for the following funds:

<u>Fund</u>	<u>Year Ended December 31,</u>
Law Enforcement Sales Tax Fund	2000
House of Refuge Fund	2001
Sheriff's DARE and Crime Prevention Fund	2001 and 2000

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Year Ended December 31,</u>
Health Center Fund	2001
Johnson Grass Fund	2000
Election Services Fund	2000
Law Enforcement Sales Tax Fund	2001
Circuit Clerk Interest Fund	2000

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 2001, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depositary insurance are pledged to the county rather than to specific county officials.

Of the county's bank balance at December 31, 2000, \$537,286 was covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name, \$8,496,367 was covered by collateral held by the pledging (or depositary) bank's trust department or agent in the county's name.

However, because of significantly higher bank balances at certain times during the year, uninsured and uncollateralized balances existed at those times although not at year-end.

To protect the safety of county deposits, Section 110.020, RSMo 2000, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

3. Prior Period Adjustment

The Election Services and Sheriff's DARE and Crime Prevention Fund's cash balance of \$237 and \$11,032 respectively at January 1, 2000, were not previously reported, but have been added so the county's financial statements will include these funds.

The Sheriff's Interest and the Prosecuting Attorney's Interest Fund's cash balance at January 1, 2000, as previously stated has been decreased by \$4,444 and \$1,698, respectively, to reflect monies paid to the General Revenue Fund.

Supplementary Schedule

Schedule

SCOTT COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2001	2000
<b>U. S. DEPARTMENT OF AGRICULTURE</b>				
Passed through state:				
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERS045-2201 E4S0451201W ER0045-201	\$ 49,167 117,558 0	0 43,890 149,867
	Program total		<u>166,725</u>	<u>193,757</u>
10.559	Summer Food Service Program for Children	ERS146-1201-2 ERS146-1201-1	300 0	0 285
	Program total		<u>300</u>	<u>285</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Passed through state:				
Department of Economic Development -				
14.228	Community Development Block Grants/State's Program	2001 PF-08 97-ED-05	4,025 0	0 85,634
	Program total		<u>4,025</u>	<u>85,634</u>
Department of Social Services -				
14.231	Emergency Shelter Grants Program	ER0164	26,570	24,375
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Passed through state Department of Public Safety -				
16.575	Crime Victim Assistance	N/A	815	0
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>				
Passed through state Department of Public Safety -				
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	N/A	5,062	1,500
<b>GENERAL SERVICES ADMINISTRATION</b>				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	647	308

Schedule

SCOTT COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2001	2000
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through state Department of Public Safety:				
83.534	Emergency Management - State and Local Assistance	SLA50/50200	7,803	11,999
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ERS146-1201L ER0146-0201CLPP	1,004 0	0 193
	Program total		<u>1,004</u>	<u>193</u>
93.268	Immunization Grants	N/A	56,956	56,752
Department of Social Services -				
93.563	Child Support Enforcement	N/A	72,133	46,900
Department of Health -				
93.575	Child Care and Development Block Grant	PGA067-1201C PGA067-0201C	3,885 0	0 320
	Program total		<u>3,885</u>	<u>320</u>
Department of Social Services -				
93.667	Social Services Block Grant	026SSBG	88	0
Department of Health -				
93.991	Preventive Health and Health Services Block Grant	C000157001 C10068001 C100014003 N/A	0 5,000 3,300 0	9,601 0 0 567
	Project total		<u>8,300</u>	<u>10,168</u>
93.994	Maternal and Child Health Services Block Grant to the States	ERS146-1201M A0C01380010 C100015066 A0C00380038 ERS175-2064F ERS175-1201F ERS175-0201F N/A	32,613 14,500 0 0 7,593 25,723 0 5,141	36,294 0 398 7,369 0 6,489 22,846 2,836
	Program total		<u>85,570</u>	<u>76,232</u>
	Total Expenditures of Federal Awards		<u>\$ 439,883</u>	<u>508,423</u>

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule.

Notes to the Supplementary Schedule

SCOTT COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Scott County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals....

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the donation of Federal Surplus Personal Property Program (CFDA Number 39.003) represent the estimated fair market value of property at the time of receipt.

Amounts for Immunization Grants (CFDA number 93.268), represent the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health. Amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), and the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994) include both cash disbursements and the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$26,570 and \$24,375 to a subrecipient under the Emergency Shelter Grants Program (CFDA number 14.231) during the years ended December 31, 2001 and 2000, respectively.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission  
and  
Officeholders of Scott County, Missouri

Compliance

We have audited the compliance of Scott County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Scott County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance

with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 01-1.

### Internal Control Over Compliance

The management of Scott County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 01-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness.

This report is intended for the information of the management of Scott County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

July 11, 2002 (fieldwork completion date)

Schedule

SCOTT COUNTY, MISSOURI  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
 YEARS ENDED DECEMBER 31, 2001 AND 2000

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?        yes   x   no

Reportable conditions identified that are not considered to be material weaknesses?        yes   x   none reported

Noncompliance material to the financial statements noted?        yes   x   no

Federal Awards

Internal control over major programs:

Material weaknesses identified?        yes   x   no

Reportable condition identified that is not considered to be a material weakness?   x   yes        none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?   x   yes        no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
93.994	Maternal and Child Health Services Block Grant to the States



Section .310(b) of Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as part of the annual budget.

The county and the Health Center do not have adequate procedures in place to track federal awards for preparation of the SEFA. The County Clerk and the Health Center prepared a SEFA for the years ended December 31, 2001 and 2000. However, information presented did not agree with expenditure records for some programs. In addition, some programs were not included on the SEFA schedules while other programs were understated or overstated. As a result, the county and Health Center over reported expenditures on their SEFA schedule by approximately \$47,700 and \$67,500, for 2001 and 2000, respectively.

Without an accurate and complete SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.

**WE RECOMMEND** the County Clerk and Health Center prepare a complete and accurate schedule of expenditures of federal awards to submit to the State Auditor's Office as part of the annual budget.

**AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION**

*The County Clerk and the Health Center Administrator indicated this recommendation will be implemented when the 2003 budget is prepared.*

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

SCOTT COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

The prior report for the two years ended December 31, 1999, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

SCOTT COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

The prior report for the two years ended December 31, 1999, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -  
State Auditor's Findings

SCOTT COUNTY, MISSOURI  
MANAGEMENT ADVISORY REPORT -  
STATE AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of various funds of Scott County, Missouri, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated July 11, 2002. We also have audited the compliance of Scott County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000, and have issued our report thereon dated July 11, 2002.

We also have audited the operations of elected officials with funds other than those presented in the special-purpose financial statements. As applicable, the objectives of this audit were to:

1. Determine the internal controls established over the transactions of the various county officials.
2. Review and evaluate certain other management practices for efficiency and effectiveness.
3. Review certain management practices and financial information for compliance with applicable legal provisions.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the county officials.

As part of our audit, we assessed the controls of the various county officials to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Our audit was limited to the specific matters described in the preceding paragraphs and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings arising from our audit of the elected county officials referred to above. In addition, this report includes findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These findings resulted from our audit of the special-purpose financial statements of Scott County but do not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting that is required for an audit performed in accordance with *Government Auditing Standards*.

**1.****Vehicle Procedures**

- A. The county owns vehicles used for road and bridge and law enforcement purposes. Logs, which document vehicle usage, are not maintained. Without adequate vehicle usage logs, the county cannot effectively monitor that vehicles are used for official business only. These logs should indicate at a minimum, the date used, beginning/ending odometer reading, destination/purpose, employee utilizing the vehicle, and the number of gallons and amount of any gasoline purchased.
- B. The Sheriff provides a fleet of vehicles for use by his office, which includes six cars and one motorcycle. Monthly reimbursement reports are submitted by the Sheriff documenting the number of miles claimed on his personal vehicles for investigative, criminal, and unpaid civil mileage and he receives mileage reimbursement at a rate of .345 cents per mile. Approximately 65 and 53 miles per day per car were claimed on the Sheriff's fleet for the years ended December 2001 and 2000, respectively.

The county provides the Sheriff's department with a fleet of thirteen vehicles. Seven of the thirteen county vehicles are assigned to road deputies, four to support staff, and two are not assigned to anyone. The vehicles assigned to road deputies logged a total of 69,726 miles from April to June 2002, or approximately 110 miles per day per vehicle. The unassigned vehicles and those assigned to the administrative staff logged a total of 32,534 miles for the three months or 60 miles per day per car. It appears some of the county vehicles are not being fully utilized.

None of the various mileage reimbursement documents indicate which vehicle was used and usage logs are not maintained for any vehicles within the department (see part A above).

In the past, the County Commission refused to pay the Sheriff mileage for his fleet from county funds because they believed the county fleet should be adequate. The Sheriff began paying the mileage from the Sheriff's Special Fund established in the county treasury by Section 57.280, RSMo 2000, which gives the sheriff discretion over monies not to exceed \$50,000 a year. For the years ended December 31, 2001 and 2000, the Sheriff received \$57,488 and \$46,812, respectively, in mileage claims paid from the Sheriff's Special Fund.

Without adequate documentation to ensure the Sheriff's fleet is used only when county vehicles are not available, the County Commission has no assurance county vehicles are being fully utilized or that only actual miles traveled are being reimbursed.

Similar conditions were noted in our prior report.

**WE AGAIN RECOMMEND:**

The County Commission:

- A. Require usage logs to be maintained on all county vehicles which identify the vehicle operator, dates of use, miles driven, destination and purpose of trips, and the fuel and maintenance expenses incurred.
- B. Develop policies and procedures to ensure the vehicles provided by the county are utilized to their fullest potential and to ensure only actual miles traveled are being reimbursed.

**AUDITEE'S RESPONSE**

*The County Commission indicated:*

- A. *The vehicle use procedure has been an ongoing problem for the County for sometime.*

*The State Statute 49.276 gives each Sheriff the authority to prescribe the rules and regulations for the use of the motor vehicles.*

*We think it would serve the county better if we had adequate documentation to ensure that the county's cars were being utilized fully.*

*We will again meet with the Sheriff to discuss the Auditor's report to try and make the best and most efficient use of the county owned vehicles.*

- B. *We strongly believe that the 13 cars supplied by the county are more than adequate to serve the Sheriff and staff in all aspects of the department.*

*We think the \$50,000 could be better spent buying jail equipment and other supplies, instead of paying the sheriff mileage on his personally owned cars and motorcycle, especially when the State Audit shows county cars are not being used to the fullest.*

*We will work where possible with the Sheriff to develop policies and procedures by February 2003, ensuring county owned vehicles are being utilized to the fullest.*

<b>2. Salaries and Personnel Procedures</b>
---

- A. Section 50.333.13, RSMo, enacted in 1997, allowed salary commissions meeting in 1997 to provide mid-term salary increases for associate county commissioners elected in 1996. The motivation behind this amendment was the fact that associate

county commissioners' terms had been increased from two years to four years. Based on this statute, in 1999 Scott County's Associate County Commissioners' salaries were each increased approximately \$6,700 yearly, according to the information from the County Clerk.

On May 15, 2001, the Missouri Supreme Court handed down an opinion in a case that challenged the validity of that statute. The Supreme Court held that this section of statute violated Article VII, Section 13 of the Missouri Constitution, which specifically prohibits an increase in compensation for state, county and municipal officers during the term of office. This case, *Laclede County v. Douglas et al.*, holds that all raises given pursuant to this statute section are unconstitutional.

Based on the Supreme Court decision, the raises given to each of the Associate County Commissioners, totaling approximately \$13,400 for the two years ended December 31, 2000, should be repaid. In addition, in light of the ruling, any raises given to other officials within their term of office should be re-evaluated for propriety.

- B. The 911 Director and Highway Supervisor do not prepare timesheets. Scott County's personnel policy manual requires timesheets to be completed by employees, specifies vacation earned increases with the number of years worked, and states that sick leave is earned by salaried employees based on a minimal number of days worked per month. The County Commission indicated these are salaried positions, which earn two-weeks vacation a year, but do not accumulate sick leave. Without a written policy and the submission of timesheets, the County Commission cannot adequately monitor the number of hours worked or the amount of leave used. It appears the County Commission considers these positions to be exceptions to the county policy; however, this is not formally documented.

Timesheets are necessary to document hours actually worked, substantiate payroll expenditures, and allocate payroll expenditures to the various funds. In addition, timesheets provide the County Commission with a method to monitor hours worked and number of vacation and sick days used. To support payroll expenditures, the county should require all employees to prepare detailed timesheets.

**WE RECOMMEND** the County Commission:

- A. Review the impact of this court decision and develop a plan for obtaining repayment of the salary overpayments.
- B. Establish a policy or job description for the 911 Director and Road and Bridge supervisor and require all county employees to prepare detailed time sheets.

**AUDITEE'S RESPONSE**

The County Commission indicated:

- A. *We have done everything according to the law at the time. Associate Commissioner Bizzell ceased claiming mileage reimbursement when he received this raise. He has unclaimed mileage totaling approximately \$11,500 as of September 12, 2002. He plans to continue to not claim his mileage until the end of his current term, which will more than repay this salary amount. We will discuss this overpayment with the other former commissioner.*
- B. *We will require all employees to submit timesheets in the future.*

<b>3. Budgetary Practices</b>
-------------------------------

Expenditures exceeded the original budgeted amounts in the various funds as follows:

<u>Fund</u>	Years Ended December 31,	
	<u>2001</u>	<u>2000</u>
Johnson Grass Fund	\$ N/A	8,669
Elections Service Fund	N/A	172
Law Enforcement Sales Tax Fund	284,884	N/A
Circuit Clerks Interest Fund	N/A	3,087

Budgets are periodically reviewed by the County Commission; however, it is the county's practice not to amend the budget as long as funds are available.

It was ruled in State ex rel. Strong v. Cribb, 364 Mo. 1122 273 S. W.2d 246 (1954), that strict compliance with the county budget law is required by county officials. If there are valid reasons which necessitate excess expenditures, amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's Office. In addition, Section 50.662, RSMo 2000, provides that counties may amend the annual budget during any year in which the county receives additional funds which could not be estimated when the budget was adopted and that the county shall follow the same procedures required for adoption of the annual budget to amend its budget.

**WE RECOMMEND** the County Commission ensure expenditures are kept within the amounts budgeted. If additional funds are received which could not be estimated when the budget was adopted, the budget should be amended by following the procedures required by state law.

**AUDITEE'S RESPONSE**

*The County Commission indicated they will implement this recommendation immediately.*

**4. Collateral Security**

Collateral securities pledged by the county's depository bank to cover deposits of the County Treasurer and the County Collector were insufficient by approximately \$3,857,000 and \$10,437,000 on January 31, 2001 and 2000, respectively.

Section 110.020, RSMo 2000, provides the value of the securities pledged shall at all times be not less than 100 percent of the actual amount on deposit less the amount insured by the Federal Deposit Insurance Corporation. Inadequate collateral securities leave county funds unsecured and subject to loss in the event of a bank failure.

The county apparently has not adequately monitored the level of bank activity. To ensure sufficient collateral securities are pledged, the county should monitor the level of bank activity and notify the depository bank when additional securities need to be pledged.

A similar condition was noted in the prior audit.

**WE AGAIN RECOMMEND** the County Commission ensure adequate collateral securities are pledged to protect county funds. This can be done by monitoring bank activity and providing timely notice to the depository banks of the need for additional collateral securities to be pledged.

**AUDITEE'S RESPONSE**

*The County Commission indicated this recommendation will be implemented immediately. The County Treasurer indicated she will begin monitoring the collateral security on a more regular basis.*

**5. Sheriff's Accounting Controls and Procedures**

A. The Sheriff receives DARE donations and holds annual golf tournaments to raise funds. The money from sponsors and donations are deposited into the "William Ferrell Dare and Crime Prevention Fund", which is an account maintained by the Sheriff. For the two years ended December 31, 2001, the Sheriff received approximately \$31,500, which was used to purchase equipment for the Sheriff's Department. These funds are not, budgeted, or published in the county's annual financials statements.

The Sheriff is authorized by statute to receive and distribute various fees and monies. However, Attorney General's Opinion No. 45-92 to Henderson states sheriffs of third class counties are not authorized to maintain a bank account for law enforcement purposes separate from the county treasury.

- B. Section 57.290, RSMo 2000, establishes various fees to be paid to the county for taking convicted offenders to a designated correctional facility. In addition to \$8 and \$6 per diems, the transporter and each guard receive fees of .345 cents per mile for going to and returning from the center, and the transporter receives a fee of .345 cents per mile for taking the convicted offender to the designated center. These fees are paid by the state and deposited into the Sheriff's fee account. The Department Of Corrections currently pays the Sheriff's Department approximately \$480 per prisoner per trip. These are accountable fees of the Sheriff's office. Any costs incurred in transporting convicted offenders should be billed to and paid by the county.

Sheriff's Department personnel who serve as transporters are paid .345 cents per mile (approximately \$186 per trip), and the Sheriff is paid .345 cents per mile if one of his personal vehicles was utilized. The remaining funds are turned over to the county treasury. The Sheriff considers the employees to be off-duty when transporting prisoners and these fees are not subjected to payroll withholdings or reported on the respective W-2 forms. In addition, the hours spent in transporting prisoners are not included on timesheets.

Any full-time county employee serving as a transporter or guard should be compensated under normal county payroll procedures, calculating hours worked and any overtime incurred. In addition, all compensation should be reported on the employees' W-2 forms. By paying deputies directly and withholding mileage expenses for personally owned vehicles used, proper taxes and benefits are going unreported. In addition, these procedures circumvent the county budgeting process by not adequately reporting all receipts and disbursements.

**WE RECOMMEND** the Sheriff:

- A. Turn all monies over to the County Treasurer or work with the County Commission to budget and report all county funds.
- B. And County Commission review this situation. Sheriff's Department personnel who serve as transporters or guards should be paid their normal salary for the amount of time spent, and all payments should be included on W-2 forms.

**AUDITEE'S RESPONSE**

- A. *The Sheriff indicated he will begin budgeting this fund next year.*

- B. *The Sheriff indicated he will review this information and determine the best way to handle this. He indicated he will continue to deposit these funds into his office account.*

*The County Commission indicated they will discuss this with the Sheriff.*

<b>6. Prosecuting Attorney's Accounting Controls and Procedures</b>
---

The Prosecuting Attorney's office receives monies for bad check restitution and for court ordered restitution payments. The Prosecuting Attorney's office policy requires bad check offenders to remit two money orders, one payable to the merchant for restitution and one payable to the Prosecuting Attorney for the bad check fee. A bank account is maintained for depositing court ordered restitution monies. For the two years ended December 31, 2001, the Prosecuting Attorney received approximately \$262,745 in restitution monies. Our review noted the following concerns:

- A. Checks and money orders received are not adequately safeguarded against theft or destruction, deposited timely, or restrictively endorsed. Checks and money orders that have not been processed are sometimes left on a desk or put in an unlocked desk drawer instead of being placed in a secure area. During the four-month period between September and December 2001, the Prosecuting Attorney's office made only 12 deposits averaging \$2,147. A cash count on June 19, 2002, revealed 23 checks and money orders, which had been received after the last deposit on June 6, 2002, which had not been restrictively endorsed for deposit only.

To adequately safeguard monies and reduce the risk of loss or misuse of funds, receipts should be restrictively endorsed and deposits should be made daily or when accumulated receipts exceed \$100.

- B. Listings of open items are not prepared and reconciled with cash balances on a monthly basis. The cash balance as of January 31, 2002, was approximately \$15,000 more than the open items list. From April 30, 1998 this unidentified difference had increased approximately \$10,000.

The monthly reconciliation of open items would detect errors on a more timely basis. For example, a \$151 check issued to the Prosecuting Attorney's office for restitution payment was returned due to insufficient funds in December 1997 and a \$156 money order made payable to Prosecuting Attorney's office was returned in January 2001, because a stop payment had been issued. Bad check procedures had not been followed to investigate or prosecute these cases and the Prosecuting Attorney's office continues to carry these liabilities on their books. In addition, there is approximately \$5,000 on the open items listing that has been held since at least December 31, 1997. The open items reconciliation would have brought these to the attention of the Prosecuting Attorney each month.

Monthly listings of open items should be prepared and reconciled to cash balances to ensure accounting records are in balance and sufficient funds are available for the payment of liabilities. Preparation of monthly reconciliations would allow changes in the unidentified difference to be investigated and any errors corrected on a timely basis. Procedures should be adopted to routinely follow up on old open items. Various statutory provisions provide for the disposition of unclaimed monies.

- C. The duties of receiving, recording, and depositing are not adequately segregated. Currently, the Prosecuting Attorney's part-time secretary is responsible for receiving the monies, recording the receipts, preparing the deposits, and writing the checks to be signed by the Prosecuting Attorney.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are accounted for properly and assets are adequately safeguarded. Proper segregation of duties helps to provide this assurance. This could be achieved by segregating the functions of receiving and depositing monies from that of recording receipts. If proper segregation of duties cannot be achieved, at a minimum, there should be a documented independent comparison of recorded receipts and bank deposits and an independent review of bank reconciliations.

- D. An adequate system to account for all bad checks received by the Prosecuting Attorney's office as well as subsequent disposition of these bad checks has not been established. Currently, Scott County merchants complete unnumbered affidavits at the time the bad check is turned over to the Prosecuting Attorney for collection. The Prosecuting Attorney's office enters the information from the affidavit into a computer file. The bad check data file is not maintained in a manner affidavit forms can be accounted for properly. In addition, procedures have not been established to ensure all bad check affidavit forms are accounted for properly and that all bad check affidavit forms are entered into the computer.

A cash count on June 19, 2002, revealed \$278 in bad check restitution and fees had been sitting in a drawer since July 2000, because the affidavit filed had been misplaced and the Prosecuting Attorney cannot determine the disposition of the money. Another receipt of a \$10 fee from August 2001, has not been turned over to the County Treasurer, again the office is unsure as to whether the defendant mailed the merchant their payment and fees.

To ensure all bad checks turned over to the Prosecuting Attorney are handled and accounted for properly, a sequential number should be assigned to each bad check affidavit form received and a log should be maintained showing each bad check and its disposition. The log should contain information such as the assigned affidavit number, the merchant, the issuer of the check, the amount of the check, the amount of

the bad check fee, and the disposition of the bad check, including the date payment was received and transmitted to the merchant and County Treasurer or the criminal case number in which charges were filed or other disposition.

- E. Outstanding checks are not properly investigated and turned over to the County Treasurer. Our review indicated that as of December 31, 2001, the Prosecuting Attorney's office had approximately \$3,900 in outstanding checks that were over a year old. These checks should be canceled and reissued if the payee can be located. For those payees who cannot be located, various statutory provisions provide for the disposition of unclaimed monies.

Conditions similar to A - C were noted in our prior report.

**WE RECOMMEND** the Prosecuting Attorney:

- A. Properly safeguard receipts by restrictively endorsing checks immediately upon receipt, making deposits daily or when receipts exceed \$100, and ensuring any undeposited monies are maintained in a secure location.
- B. Prepare a monthly listing of open items and reconcile it to the cash balance. In addition, the Prosecuting Attorney should attempt to identify all cases with open items, any excess monies should be disposed of in accordance with state law.
- C. Adequately segregate accounting duties to the extent possible or ensure periodic supervisory reviews are performed and documented.
- D. Implement procedures to adequately account for bad checks received as well as the ultimate disposition through the use of sequential numbers assigned to each bad check affidavit form and a log to account for the numerical sequence and ultimate disposition of each bad check. In addition, the Prosecuting Attorney should attempt to determine the proper disposition of the unidentified monies.
- E. Attempt to contact the payees of the old outstanding checks and reissue checks if possible. If the payee cannot be contacted, these monies should be turned over to the state's Unclaimed Property Section in accordance with state law.

**AUDITEE'S RESPONSE**

*The Prosecuting Attorney indicated:*

- A. *I will require my staff to immediately begin placing undeposited monies into a locked file cabinet. Deposits will be made more timely, and checks will be endorsed at least every two days (since my staff only works part-time).*

- B. *I do not have adequate staff to implement this recommendation. I will require my staff to do this reconciliation on a more timely basis if the County Commission approves additional staff for my office.*
- C. *I will have one of my assistants begin reviewing the bank reconciliations next month.*
- D. *We are in the process of installing a new computer software package which will number the bad check affidavits and log all bad check information. In the future, all unidentified money orders received in the mail, will be deposited into my office account, held for one year (in case someone is arrested and indicate they have paid with this money order), and then turned over to Unclaimed Property if it remains unclaimed.*
- E. *We will implement this recommendation. We will take care of the current checks by the end of this year, and will review the account twice a year in the future.*

7.

**Health Center**

- A. The Health Center Board of Trustees approved expenditures in excess of budgeted expenditures by \$140,790 during the year ended December 31, 2001. There was no budget amendment filed to authorize the additional expenditures. The main reason for the excess spending was due to the fact the Health Center Board of Trustees failed to take into consideration their new salary structure when setting the budget and then decided to make a land purchase that had not been planned.

It was ruled in *State ex rel Strong v. Cribb* 364 Mo. 1122, 273 SW 2d 246 (1954), that strict compliance with the county budget law is required by county officials. If there are valid reasons which necessitate excess expenditures, budget amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's office. In addition, Section 50.662, RSMo 2000, provides that counties may amend the annual budget during any year in which the county receives additional funds which could not be estimated when the budget was adopted.

A similar condition was noted in the prior report.

- B. In July 2001, the Health Center Board of Trustees purchased three acres of land at the seller's asking price of \$83,272 (\$27,757 an acre) for the purpose of constructing a new health center for the Sikeston location. The transaction was finalized without obtaining an appraisal of the land. As a result, the board has less assurance the price paid for the property was reasonable or represented the fair value of the property.

**WE RECOMMEND** the Health Center Board of Trustees:

- A. Not authorize warrants in excess of the budgeted amounts. If amendments are necessary, the board should pay strict attention to the state law governing budget amendments and ensure amendments are made prior to incurring the expense.
- B. Obtain an independent appraisal for any property being considered for purchase.

**AUDITEE'S RESPONSE**

*The Health Center Administrator indicated these recommendations will be implemented immediately.*

<b>8. Senate Bill 40 Board Policies and Procedures</b>
--

- A. The Senate Bill 40 Board had a cash balance of \$389,048 and \$486,374 at December 31, 2001 and 2000, respectively. The Senate Bill 40 Board has accumulated a significant cash reserve. In addition, the Board budgets \$50,000 for "potential new projects" each year. The Treasurer of the Board indicated this money is budgeted for requests for funding that are received after the budget is approved. To ensure the adequacy of the budget as a planning tool, the Board should firmly establish all funding projects prior to approving the budget. In addition, the Senate Bill 40 Board should determine its future needs, and consider such information when setting future tax levies.

A similar condition was noted in the prior audit.

- B. The Senate Bill 40 Board expended approximately \$595 for dinner meetings for the board and \$83 in gifts and flowers to board members and county officials during the two years ended December 31, 2001. These expenditures do not appear to represent a prudent use of public funds and a necessary cost of operating the board. The taxpayers have placed a fiduciary trust in the Board to expend public funds in a necessary and prudent manner.
- C. Proper notice was not given to the public when the Senate Bill 40 Board's normal meeting time and location were changed. On several occasions, the Senate Bill 40 Board approved dinner meetings, but did not post notification of the change in meeting time or location as required by state statute.

Section 610.020 RSMo 2000, requires meeting time, date, location, and agenda be posted to properly advise the public. At least twenty-four hours notice is required and the meeting must be held at a place accessible to the public and be of adequate size to accommodate the anticipated attendance.

- D. Bids were not obtained or bid documentation was not retained for various equipment purchases made by the Senate Bill 40 Board during the two years ended December 31, 2001. The Senate Bill 40 Board's Treasurer indicated the Board does not solicit bids; the Director of the Sheltered Workshop or organization requesting payment is supposed to solicit the bids. Several items purchased by the Senate Bill 40 Board did not have supporting bid documentation. Examples of items purchased without proper bid documentation include \$9,625 for door repair to the Sheltered Workshop, \$75,300 for a new roof on the Sheltered Workshop, and \$41,550 for the purchase of a special school bus for a local school district.

Section 50.660, RSMo 2000, requires the advertisement for bids for all purchases of \$4,500 or more from any one person, firm or corporation during any period of ninety days.

Bidding procedures for major purchases provide a framework for economical management of county resources and help assure the county that it receives fair value by contracting with the lowest and best bidder. In addition, competitive bidding assures all parties are given an equal opportunity to participate in county business.

Documentation of bids should include, at a minimum, a listing of vendors from whom bids were requested, a copy of the request proposal, newspaper, publication notices, bids received, the basis of justification for awarding bids, and documentation of all discussions with vendors. The Senate Bill 40 Board should require adequate bid documentation be submitted by the workshop or organization prior to payment by the Board.

- E. The Senate Bill 40 Board entered into a verbal agreement with the Bootheel Counseling Center for \$20,000 to provide services to applicable recipients and a local school district for \$41,550 to purchase a specially equipped bus. In both cases, no contract or agreement was signed between the parties indicating what supporting documentation was to be submitted to the Senate Bill 40 Board to indicate how the funds are being spent.

Written contracts are necessary to ensure all parties are aware of their duties, rights, and responsibilities and to provide protection to all parties. In addition, without a contract or proper documentation the Senate Bill 40 Board lacks adequate assurance that funds are being spent on their specific purpose of providing services to residents of Scott County.

- F. The Senate Bill 40 Treasurer is not bonded. For the two years ended December 31, 2001, the Treasurer received approximately \$310,000. With the extremely high amount of revenues the opportunity of theft and misuse are significantly high.

To properly safeguard assets, all individuals with the authority to sign checks or who have access to cash should be adequately bonded.

**WE RECOMMEND** the Senate Bill 40 Board:

- A. Review the cash balance and consider reducing the property tax levy. If plans have been made for expending the accumulated fund balance, such plans should be set forth publicly in the budget document. In addition, the Board should establish all funding projects prior to approving the budget.
- B. Ensure all expenditures are reasonable and necessary and a prudent use of public funds.
- C. Post all changes to meeting locations, dates, and times to accordance with state law.
- D. Require all entities to submit proper bid documentation with all requests for purchases by the SB40 Board over \$4,500. In addition, the bid documentation should be retained by SB40 Board to show compliance with state law.
- E. Enter into a written contract with all service providers detailing the responsibilities of each party involved.
- F. Ensure all employees handling funds are adequately bonded.

**AUDITEE'S RESPONSE**

*The Treasurer of the Senate Bill 40 Board indicated:*

- A. *The Board will consider lowering its tax levy when it is set in 2003. Originally we were planning to build a new building for the Sheltered Workshop, but have determined that it is not needed. The Board budgets these monies for requests that come in during the year. We believe this is the best way to handle this.*
- B. *We will implement this recommendation immediately.*
- C. *We will implement this recommendation immediately.*
- D. *We did require bids for the bus; however, we did not request copies of the bid documentation. We will require the bid documentation to be submitted in the future.*
- E. *Information showing the service provided has been submitted; however, locating it has been a problem. We will maintain this documentation in the future.*
- F. *We will implement this recommendation immediately. In addition, we will add this*

*requirement to our bylaws.*

This report is intended for the information of the management of Scott County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

## Follow-Up on Prior Audit Findings

SCOTT COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Scott County, Missouri, on findings in the Management Advisory Report (MAR) of our audit report issued for the two years ended December 31, 1997.

The prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

1. Personnel and Payroll Policies and Procedures

The county had no written policy on the use of county vehicles for personal use. Road and Bridge employees used county vehicles to commute to and from work and mileage was not reported to the IRS as a fringe benefit.

Recommendation:

The County Commission comply with IRS guidelines for reporting fringe benefits related to county-owned vehicles. In addition, the county should establish a written policy for road and bridge employees regarding the appropriate use of county vehicles for commuting purposes.

Status:

Not implemented. Although not repeated in the current MAR, our recommendation remains as stated above.

2. County Expenditures and County Vehicles

- A. The county did not issue Forms 1099 MISC for some applicable individuals or unincorporated businesses.
- B. Drug Awareness Resistance Education (DARE) mileage was paid from the Law Enforcement Training Fund.
- C. Usage logs were not maintained for county vehicles.
- D. The county did not have any policies or procedures regarding the use of county vehicles including when personal vehicles could be used for county business or prohibiting the personal use of county vehicles. Although the county had purchased 10 vehicles for the Sheriff's Department, personal vehicles were also being used.

- E.1. The County Clerk employed various relatives as election staff who were paid a total of \$325.
- 2. The Sheriff leased office space from his spouse without documentation demonstrating that the contract was awarded after public notice to solicit competing proposals.
- F. The county paid the Prosecuting Attorney \$3,683 and \$3,291, respectively, for copies during the year ended December 31, 1997 and 1996. It appeared it would be much cheaper for the county to purchase a copy machine rather than to pay the Prosecuting Attorney 15 cents per page.

Recommendation:

- A. The County Commission establish procedures to ensure IRS Forms 1099-MISC are issued as required by the Internal Revenue Code.
- B. The County Commission expend Law Enforcement Training Fund monies only for statutorily allowed expenditures.
- C. The County Commission ensure vehicle usage logs are maintained for all county vehicles.
- D. The County Commission establish policies and procedures regarding the use of county vehicles and establish controls to ensure policies and procedures are complied with.
- E.1. The County Clerk discontinue hiring relatives.
- 2. The Sheriff not lease office space from his spouse unless he documents compliance with Section 105.454.

We also recommend the Prosecuting Attorney review these situations.

- F. The County Commission consider buying a copier instead of paying the Prosecuting Attorney for copies.

Status:

A&B. Implemented.

C&D. Not implemented. See MAR finding number 1.

E.1. Implemented. The County Clerk no longer hires relatives as election staff.

2. Implemented. The Sheriff no longer leases office space from his spouse.
  - F. Implemented. The County Commission purchased a copy machine for the Prosecuting Attorney's office.
3. Federal Financial Assistance
- A. Sikeston Housing Authority received grant money directly from the Department of Housing and Urban Development. Scott County was designated the recipient and did not maintain documentation of the briefings on grant activity, nor did they obtain copies and review their annual audit.
  - B. The county paid the Prosecuting Attorney \$35 per hour to perform various duties related to the child support enforcement program. However, there appears to be no statutory authority for the compensation paid to the Prosecuting Attorney to exceed the amount authorized by law under Section 56.265 and approved by the County Salary Commission under Section 50.333.
  - C. There was no supporting documentation for a check written on the planning grant for the establishment of a Juvenile Drug Court in Scott County for \$1,260, which was made payable to cash.

Recommendation:

- A. The County Commission properly monitor federal grant subrecipient expenditures to ensure compliance with federal regulations.
- B. The County Commission discontinue paying the additional compensation to the Prosecuting Attorney.
- C. The Circuit Judge resolve the questioned costs with the grantor agency.

Status:

- A. Partially implemented. The county has taken steps to monitor expenditures of subrecipients; however, the county failed to obtain claim forms for two months during 2001. Although not repeated in the current MAR, our recommendation remains as stated above.
- B. Not implemented. The Prosecuting Attorney position will become a full time position in January 2003, thus this situation will be corrected. The current Prosecuting Attorney continues to receive this additional compensation. Although not repeated in the current MAR, our recommendation remains as stated above.

C. Implemented. The Circuit Judge indicated this was turned over to the proper authorities; however, they chose not to pursue prosecution. In addition, the Circuit Judge received a letter from the grantor agency officially closing this grant.

4. Collateral Security

Collateral securities pledged by the county's depository bank to cover deposits of the County Treasurer and the County Collector were insufficient by approximately \$1.4 million at January 1998.

Recommendation:

The County Commission ensure adequate collateral securities are pledged to protect county funds. This can be done by monitoring bank activity and providing timely notice to the depository banks of the need for additional collateral securities to be pledged.

Status:

Not implemented. See MAR finding number 4.

5. General Fixed Assets

Fixed asset purchases made by elected officials from special revenue funds in the elected officials' control were not recorded in the fixed asset listing.

Recommendation:

The County Clerk work with the elected officials to ensure all fixed asset purchases with an original cost of \$250 or more are properly added to the fixed asset listing and perform thorough physical inventories.

Status:

Implemented.

6. Circuit Clerk's Accounting Controls and Procedures

A. Checks totaling \$762 from the fee account and \$2,227 from the child support account had been outstanding for more than a year.

B. The monthly listings of open items was \$6,977 less than the cash balance.

Recommendation:

The Circuit Clerk:

- A. Attempt to locate the payees of the old outstanding checks and reissue checks if possible. Any remaining unclaimed amounts should be disbursed in accordance with state law.
- B. Reconcile the monthly listing of open items to the cash balance. In addition, the Circuit Clerk should continue efforts to identify all cases with open items. If not identified, any excess monies should be disposed of in accordance with state law.

Status

- A. Partially implemented. The Circuit Clerk is currently attempting to determine the proper disposition of these monies. Although not repeated in the current MAR, our recommendation remains as stated above.
- B. Implemented.

7. County Collector's Accounting Controls and Procedures

- A. Monies received were not deposited intact. Personal checks were cashed for county employees from daily receipts.
- B. The composition of receipts indicated on the daily cash control sheets was not reconciled to the composition of the bank deposit.
- C. The change fund was not maintained at a constant amount.
- D. The County Collector's bank accounts had a \$12,229 surplus of unidentified monies and \$647 in outstanding checks that were more than a year old.

Recommendation:

The County Collector:

- A. Deposit all receipts intact and discontinue the practice of cashing personal checks.
- B. Reconcile the composition of receipts to the composition of bank deposits.
- C. Maintain the change fund at a constant amount.

- D. Attempt to identify and distribute the unidentified account surplus. Also, attempt to locate the payees of the old outstanding checks and reissue checks if possible. Any remaining unclaimed or unidentified amounts should be disbursed in accordance with state law.

Status:

A&D. Not implemented. Improvements have been made in these areas and although not repeated in the current MAR, our recommendation remains as stated above.

B&C. Implemented.

8. Associate Circuit Division's Accounting Controls and Procedures

- A. Monies received were not deposited intact. Personal checks were cashed for county employees from daily receipts.
- B. The method of payment received was not always accurately recorded on the one-write ledger for criminal monies. In addition, the composition of receipts was not reconciled to the composition of bank deposits.
- C. The monthly listings of open items of the civil account was \$864 less than the cash balance and a restitution receivable balance due.

Recommendation:

The Associate Circuit Division:

- A. Deposit all receipts intact and discontinue the practice of cashing personal checks from court receipts.
- B. Ensure the method of payment on the criminal one-write ledger is recorded accurately and reconcile the composition of receipts to the composition of bank deposits.
- C. Reconcile the monthly listings of open items to the cash balances for both the civil and criminal accounts. In addition, attempt to identify all cases with open items. If not identified, any excess monies should be disposed of in accordance with state law.

Status:

A,B,  
&C. Implemented.

9. Prosecuting Attorney's Accounting Controls and Procedures

- A.1. The disposition noted on the bad check computer log was not always accurate.
  2. Some payments made on bad checks could not be traced to the computer records.
  3. The bad check fee was not collected on some cases.
- B. No sequential summary record (cash control) of restitution receipts and disbursements was maintained.
- C. Restitution and other monies received were not always deposited on a timely basis.
- D. Monthly listings of open items were not always prepared and reconciled with cash balances. At April 30, 1998, the open items list had a cash balance of \$4,978 more than the open items list. In addition, twenty-nine items totaling \$1,623 on the open items listing had been held since December 31, 1995.
- E. The Prosecuting Attorney authorized a total of \$6,370 in supplemental wages from the Prosecuting Attorney Bad Check Fund to several employees. These payments were not reported to the Internal Revenue Service on the employee's W-2.
- F. The interest earned on the Prosecuting Attorney's official bank account was retained by her office and \$105 was spent on an office Christmas party.

Recommendation:

The Prosecuting Attorney:

- A1.
  - &2. Establish procedures to ensure all bad check affidavits are properly accounted for with the appropriate disposition noted on the bad check log. In addition, all receipts should be entered into the computer system.
  3. Document her authorization to waive collection of the bad check fee.
- B. Establish a cash control record for restitution transactions and reconcile periodically to the individual ledger cards.
- C. Deposit monies daily or when accumulated receipts exceed \$100.
- D. Prepare a monthly listing of open items and reconcile it to the cash balance. In addition, attempt to identify all cases with open items. If unable to identify, any excess monies should be disposed of in accordance with state law.

- E. Ensure that all compensation is paid through the county's normal payroll process so that the employee's W-2 form properly reflects all compensation and withholdings.
- F. Transfer the remaining interest monies and future interest earned to the County Treasurer for deposit into the General Revenue Fund and discontinue expenditures for social functions for Prosecuting Attorney employees.

Status:

A,B,  
E&F. Implemented.

C&D. Not implemented. See MAR finding number 6.

10. Sheriff's Records and Procedures

The Sheriff did not remit accountable fees totaling \$61,270 and \$69,705 to the county for the years ended December 31, 1997 and 1996, respectively.

Recommendation:

The Sheriff remit all fees to the county monthly as required by state law.

Status:

Implemented.

11. Health Center's Accounting Controls and Procedures

- A. The method of payment received was not always indicated on the receipt slips. In addition, the composition of receipt slips issued was not reconciled to the composition of bank deposits.
- B. The petty cash fund was not maintained on an imprest basis.
- C. Purchases of some computer components were not recorded on the fixed assets listing.
- D. The Health Center approved disbursements in excess of budgeted amounts.

Recommendations:

The Health Center Board of Trustees:

- A. Indicate the method of payment on all receipts slips and reconcile the composition of receipts to the composition of bank deposits.
- B. Maintain the petty cash fund on an imprest basis.
- C. Ensure computer components are added to the fixed asset listing.
- D. Not authorize warrants in excess of budgeted disbursements.

Status:

A,B,  
&C. Implemented.

D. Not implemented. See MAR finding number 7.

12. Senate Bill 40 Board

The Senate Bill 40 Board had accumulated a significant cash reserve.

Recommendation:

The Senate Bill 40 Board review the cash balance and consider reducing the property tax levy. If plans have been made for expending the accumulated fund balance, such plans should be set forth publicly in the budget document.

Status:

Not implemented. See MAR finding number 9.

STATISTICAL SECTION

History, Organization, and  
Statistical Information

SCOTT COUNTY, MISSOURI  
HISTORY, ORGANIZATION,  
AND STATISTICAL INFORMATION

Organized in 1821, the county of Scott was named after John Scott, the first congressman from Missouri. Scott County is a county-organized, third-class county and is part of the Thirty-Third Judicial Circuit. The county seat is Benton.

Scott County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials.

Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records of importance to the county's citizens.

Counties typically spend a large portion of their receipts to support general county operations and to build and maintain roads and bridges. The following chart shows from where Scott County received its money in 2001 and 2000 to support the county General Revenue and Special Road and Bridge Funds:

SOURCE	2001		2000	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
Property taxes	\$ 755,753	17	658,754	17
Sales taxes	1,494,755	33	1,133,070	29
Federal and state aid	910,139	20	750,758	20
Fees, interest, and other	1,314,259	30	1,316,421	34
Total	\$ 4,474,906	100	3,859,003	100

The following chart shows how Scott County spent monies in 2001 and 2000 from the General Revenue and Special Road and Bridge Funds:

USE	2001		2000	
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL
General county government	\$ 2,332,934	64	1,648,230	38
Public safety	348,535	10	1,712,141	40
Highways and roads	962,493	26	979,583	22
Total	\$ 3,643,962	100	4,339,954	100

The county received \$1,520,209 and \$89,145 for the Law Enforcement Sales Tax for the years ended December 2001 and 2000, respectively, to be used for building a new jail.

The county maintains approximately 99 county bridges and 384 miles of county roads.

The county's population was 33,250 in 1970 and 40,422 in 2000. The following chart shows the county's change in assessed valuation since 1970:

	Year Ended December 31,				
	2001	2000	1985*	1980**	1970**
	(in millions)				
Real estate	\$ 209.4	194.7	148.7	61.5	41.9
Personal property	95.2	91.8	28.7	16.1	7.6
Railroad and utilities	41.1	39.1	37.5	19.5	12.8
Total	\$ 345.7	325.6	214.9	97.1	62.3

\* First year of statewide reassessment.

\*\* Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Scott County's property tax rates per \$100 of assessed valuations were as follows:

	Year Ended December 31,	
	2001	2000
General Revenue Fund	\$ .09	.09
Special Road and Bridge Fund*	.29	.29
Johnson Grass	.01	.01
Health Center Fund	.10	.10
Senate Bill 40 Board Fund	.04	.04

\* The county retains all tax proceeds from areas not within road districts. The county has two road districts that receive four-fifths of the tax collections from property within these districts, and the Special Road and Bridge Fund retains one-fifth.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

	Year Ended February 28 (29),	
	2002	2001
State of Missouri	\$ 102,971	98,885
General Revenue Fund	319,405	306,859
Road Funds	729,853	692,148
Assessment Fund	143,531	135,274
Health Center Fund	339,548	326,064
Senate Bill 40 Board Fund	135,819	130,426
Johnson Grass Fund	33,969	32,623
Drainage Districts Fund	10,320	11,078
School districts	11,144,220	10,466,482
Library district	203,479	202,337
Fire protection district	264,069	252,085
Ambulance district	915,598	872,785
Special Drainage Districts	175,869	172,094
Water	12,287	15,509
Tax Sale Surplus	0	449
Cities	93,846	86,366
Surtax	299,667	299,333
County Clerk	613	601
County Employees' Retirement	95,779	92,333
Interest	9,680	29,607
TIF	8,656	0
Commissions and fees:		
County Collector	3,808	3,742
General Revenue Fund	242,515	227,074
Total	\$ 15,285,502	14,454,154

Percentages of current taxes collected were as follows:

	Year Ended February 28 (29),	
	2002	2001
Real estate	92.2 %	92.8 %
Personal property	87.8	88.5
Railroad and utilities	100.0	100.0

Scott County also has the following sales taxes; rates are per \$1 of retail sales:

	Rate	Expiration Date	Required Property Tax Reduction
General	\$ .0050	None	50 %
Law Enforcement	.0050	2008	None

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

Officeholder	2002	2001	2000
<b>County-Paid Officials:</b>			
Martin Priggel, Presiding Commissioner	\$	31,700	31,700
Walter Bizzell, Associate Commissioner		29,700	29,700
Jamie Burger, Associate Commissioner		29,700	0
Dewaine Shaffer, Associate Commissioner		0	29,700
Tom Dirnberger, Recorder of Deeds		45,000	45,000
Rita Milam, County Clerk		45,000	45,000
Cristy Baker-Neel, Prosecuting Attorney (1)		87,337	87,792
William F. (Bill) Ferrell, Sheriff (2)		109,868	107,417
Glenda Enderle, County Treasurer		33,300	33,300
Scott C. Amick, County Coroner		16,000	9,200
Henry J. (Cotton) Holyfield, Public Administrator		45,000	0
Delmar Alcorn, Public Administrator (3)		0	15,395
Mark Hensley, County Collector (4), year ended February 28,	48,808	48,742	
Teresa Houchin, County Assessor (5), year ended August 31,		45,000	45,000

- (1) Includes salary as part-time prosecuting attorney of \$55,000 for each year and contracted fees for child support work of \$32,337 and \$32,792 for the year 2001 and 2000 respectively.
- (2) For 2001, compensation includes \$50,000 in salary and \$59,868 in prisoner meals. For 2000, compensation includes \$47,150 in salary and \$60,267 in prisoner meals. In addition, the Sheriff also received mileage reimbursements of \$57,488 and 46,812 for the years ending December 31, 2001 and 2000, respectively.
- (3) Includes fees received from probate cases
- (4) Includes \$3,808 in 2001 and \$3,742 in 2000, from drainage district taxes.
- (5) Includes \$900 annual compensation received from the state.

**State-Paid Officials:**

Pam Glastetter, Circuit Clerk	47,300	46,127
David C. Mann, Associate Circuit Judge	96,000	97,383
William H. Winchester, Associate Circuit Judge	96,000	97,382

A breakdown of employees (excluding the elected officials) by office at December 31, 2001, is as follows:

Office	Number of Employees Paid by	
	County	State
Circuit Clerk	0	6
Recorder of Deeds	3	0
County Clerk	3	0
Prosecuting Attorney	8	0
Sheriff	29	0
County Treasurer	2	0
County Coroner	1	0
County Collector	5	0
County Assessor	9	0
Associate Division	0	4
Probate Division	0	2
Road and Bridge	13	0
Health Center	22	0
Buildings and Grounds	2	0
Civil Defense	1	0
Juvenile Office	1	6
911	7	0
Total	<u>106</u>	<u>18</u>

In addition, the county pays a proportionate share of the salaries of other circuit court-appointed employees. Scott County's share of the Thirty-Third Judicial Circuit's expenses is 75.07 percent.

On behalf of the Scott County Criminal Justice Center Project, the Scott County Missouri Facilities Authority entered into a lease purchase agreement with Commerce Bank N.A. The terms of the agreement call for the county to lease the building for the jail from the Scott County Missouri Facilities Authority with payments equal to the amount due to retire the indebtedness. The lease for the jail project is scheduled to be paid off in 2008. The remaining principal due on the lease at December 31, 2001, was \$4,650,000.